01B

ESTIMATED FUNDS AVAILABLE: \$1,600,000

ESTIMATED NUMBER OF PROJECTS: 11-15

FUNDING CELILINGS/EXPECTED RANGE OF FUNDING: \$150,000 maximum per project

COST SHARE REQUIREMENTS: 30% non-Federal cost share is required with 50% of this amount in cash.

QUALIFICATION CRITERIA: States must submit special project applications in partnership with their local, officially-designated (or approved for designation) Clean Cities coalition. Only projects located in active, designated (or approved for designation) Clean Cities are eligible for funding. An "active" coalition is one with a valid and approved memorandum of understanding with DOE. "Approved for designation" means that DOE has authorized a designation ceremony for a coalition. A separate application for each coalition must be submitted. Failure to comply with this qualification criterion will deem the application non-responsive and will not be considered for comprehensive evaluation.

BACKGROUND AND OBJECTIVES: The goal of the U.S. Department of Energy's (DOE) Clean Cities initiative is to decrease the nation's dependence on petroleum in the transportation sector through public/private Clean Cities partnerships formed around the country by:

- Accelerating the development of a sustainable alternative fuels market
- Accelerating the use of idle reduction technologies
- Accelerating the use of hybrid vehicles
- Increasing the use of alternative fuel blends in petroleum fuels
- Promoting informed consumer choice on fuel economy

The Clean Cities initiative is offering AFV refueling infrastructure funding to help decrease the nation's dependence on petroleum by helping to grow the alternative fuels market. Only projects that increase the use of Energy Policy Act of 1992 authorized alternative fuels are eligible (see http://www.eere.energy.gov/cleancities/vbg/whatis_epact.shtml to find a listing of authorized fuels).

PROJECTS REQUESTED/AREA OF INTEREST: Infrastructure projects can include new dispensing facilities, or additional equipment or upgrades and improvements to existing AFV refueling sites. Funding can be used to purchase equipment or to pay for specific turn-key fueling services by alternative fuel providers. Projects that include multiple fuel types (i.e., propane and biodiesel) at the same location must provide evidence of essential support from each fuel provider for every fuel type being proposed, in addition to evidence of fleet commitments. Full production facilities are not eligible.

The project team members must be identified and their qualifications must be described. Include fleet and financial commitment letters and a coalition support letter. Equipment estimate information must also be included.

Each refueling site location must be identified and applicants must submit a project implementation plan that includes a proposed construction schedule, a discussion of permitting requirements, and environmental assessment needs. Project applications should include the fuel type, estimated fuel sales (i.e., fuel quantity based on fleet commitments, not simply the total capacity of the station), and the projected number of AFVs that will use the facility.

Projects that include fleet commitments for fuel purchases at the refueling site will be ranked higher. Extra consideration will be given to refueling sites that have shared fleet and/or open (public) access provisions. Projects that include a card lock system must utilize a universal reader technology and support station networking protocols already established in the region. Refueling sites that contribute to an infrastructure corridor development plan or regional strategy are desirable and should be clearly noted.

Station owners must provide information to the DOE regional office on the amount of fuel sold one year after the station is opened. Owners operating stations that are open to the public must agree to display the availability and cost of alternative fuels in the same manner as conventional fuels. Station owners must agree to display a Clean Cities decal on the refueling pumps. Decals will be provided by DOE. A letter of commitment from stations owners regarding these requirements must accompany the application.

Projects are evaluated on the <u>value</u> of cost share, and the type of in-kind services being offered, not necessarily the total declared value of the contribution in the application, although the minimum requirement must be met. For instance, in-kind services such as general office costs, which would be paid regardless of SEP funding, are valued much lower than a cash contribution tied directly to the project.

If project management costs are included in the budget, the project manager must be identified and his/her responsibilities described. Project management costs are not the same as administration costs.

If States intend to charge administration fees to process or monitor grants, these fees must be identified on Form 4600.4. If no fees are identified, DOE requires that 100% of the grant award go to the sub-grantee.

If the applicant requests funding from more than one special project category, a separate application for each category must be submitted for evaluation. Vehicle and infrastructure applications should clearly reference the other on the Application Cover Sheet as well as within the application in order to assure proper consideration. School bus and related infrastructure projects must be submitted as a combined application as described in the School Buses category. Please see the School Buses category for infrastructure projects related to school bus fleets.

Applications must include the Clean Cities AFV Refueling Infrastructure Application Cover Sheet (Attachment 1) which summarizes significant application elements.

EVALUATION CRITERIA: Applications that satisfy the qualifica criteria identified above, will then be evaluated and ranked by the following criteria:

1. Probability of project success based on the technical feasibility of the project, thoroughness of project implementation plan, identification and qualifications of appropriate team members, and quality of supporting documentation (Applicants must

provide fleet and financial letters of commitment, coalition support letter, letter identifying site location(s), station owner commitment letters, letters with equipment estimates from site host.) The performance track record of recipients of all previous State Energy Program (SEP) Special Projects Clean Cities grants will be taken into account. Applicants must describe the status and results of all previous SEP Special Projects Clean Cities grants in the application. (Weight 35)

- 2. Energy security benefits as indicated by the estimated amount of fuel dispensed at alternative fuel refueling stations. (Weight 35)
- 3. Extent to which project will contribute to a sustainable alternative fuel market and potential for future growth without additional Federal funding and increasing awareness and acceptance of alternative fuels among target sectors in the local community including, but not limited to, current stakeholders, fleet operators, media, and the general public. The intent to display Clean Cities decals on infrastructure must be stated. (Weight 20)
- 4. Extent of proposed cost participation; amount of financial investment and cost participation from other coalition stakeholders and partners. (Weight 10)

Attachment 1. AFV Refueling Infrastructure Application Cover Sheet

Applicant/State:
Sub-grantee:
Supporting Coalition Name:
Project Total: \$
Amount Requested: \$
Non-Federal Cost Share Committed: \$
Amount of cost share in cash: \$
Non-Federal cost share partner:
Fuel(s):
New or Addition to Existing Station:
Estimated Annual Fuel Sales:
Shared Fleet Access:
Public Access:
Is project tied to AFV Incremental Cost project? If yes, provide project number, number of AFVs, brief description of project